

*Hinchey Obtained \$350,000 from Congress to Develop AgriBusiness Corridor along Route 209*

*Lake Katrine, NY* - Congressman Maurice Hinchey (D-NY), U.S. Economic Development Administration (EDA) Regional Director Willie Taylor, and local farmers today announced new federal funding to implement a comprehensive plan that will strengthen and develop the local agriculture industry and collectively market Hudson Valley branded food products to New York City.

Hinchey obtained \$350,000 from Congress as part of the fiscal year 2010 appropriations process in order to help the non-profit, Hudson Valley AgriBusiness Development Corporation (HVADC), develop a "food corridor" along Route 209, running from Ellenville to Kingston. HVADC, which serves farms in Ulster, Orange, Dutchess, and Columbia counties, will serve as an agriculture incubator service that offers business assistance programming for startups; centralized costly processing and marketing services and facilities; and financing services and client networking. HVADC will use the funds Hinchey obtained to pay for a cold storage facility for local farms and to develop a food processing center for local farms. These combined efforts will dramatically reduce costs for farmers and improve their ability to sell their products to the New York City metropolitan area.

"The Route 209 agribusiness corridor holds an enormous amount of potential for local farms and agricultural businesses in the Hudson Valley," Hinchey said. "The Hudson Valley Agribusiness Development Corporation will serve as the critical link that local farmers need to get their products from the field to store shelves and restaurants throughout New York City and greater metropolitan area. The demand is there for locally grown and processed food and this agribusiness corridor will help meet that demand."

HVADC, in collaboration with Gillette Creamery, will utilize a portion of the funding Hinchey secured to provide cold storage solutions for local farmers and food processors such as Farm to Table Co-packers at Tech City and Rondout Valley Growers. Collectively, these organizations will form the heart of the Route 209 Food Cluster. The funds will be used to rent cold storage space at Gillette's old facility in Ellenville. Those funds have enabled Gillette to move to Gardiner and keeps jobs that would have otherwise left Ulster County.

In conjunction with HVADC, Farm to Table Co-packers (FTC) is in the process of renovating

approximately 20,000 square feet in Tech City to create a co-packing facility with kitchen rental space and an incubator facility for beginning food entrepreneurs. FTC will be located at the Kingston end of the Route 209 agribusiness corridor. The facility will be a full production kitchen inspected by the New York State Department of Agriculture and Markets and the U.S. Department of Agriculture (USDA). FTC already has 16 employees that were working in another facility that it will retain and move to the Tech City building. The company also plans to add an additional nine or ten jobs. FTC will also be a vital link in the Route 209 food corridor initiative, which will link farmers to manufacturing and distribution centers.

The 209 Food Corridor will link farmers, manufacturing and distribution into a comprehensive network in order to take advantage of the regions assets. Currently, there are more than 50 farms and agriculture related ventures between Kingston and Ellenville, all of which HVADC is seeking to strengthen and promote. According to an EDA study, for every \$10,000 of federal money invested in a business incubator, as many as 69 jobs are created.

"This new effort will reduce costs to farmers because they will be sharing a centralized facility that benefits the region and supports a Hudson Valley brand," Hinchey said. "The Route 209 food corridor and Farm to Table Co-packers are just the beginning of this endeavor that holds the very real potential of greatly expanding the market that farms in the Hudson Valley serve. Farms in the Hudson Valley are located just outside of the largest metropolitan market in the world and through our sustained efforts we will enable these farms to meet the demands of that market."

As part of an overall marketing strategy to tap into the New York City metropolitan area, HVADC will work with local growers to take advantage of the growing trend in the food industry for locally grown and produced products. A recent marketing study commissioned by the New York State Department of Agriculture and Markets demonstrated an enormous demand among New York City consumers, restaurants, grocers, caterers, and food service institutions for locally grown foods purchased directly from farmers. The study found an estimated \$860 million worth of unmet demand for local farm products in the New York City market, creating a need for regional co-packing facilities and marketing strategies.